

Senate Bill S. 3473 Authorizes Coast Guard to Access Oil Spill Funds; BP Will Repay

WASHINGTON, D.C. – Congresswoman Loretta Sanchez (CA-47) today voted to permit the Coast Guard to withdraw additional funds from the Oil Spill Liability Trust Fund for the service's ongoing cleanup and recovery efforts in the Gulf Coast. The trust fund, created by the Oil Pollution Act of 1990, is funded by an 8-cent tax on each barrel of oil and is designed to pay for cleanup and economic damages following a catastrophic spill. Under current law, the Coast Guard can only draw up to \$100 million from the fund to finance its emergency response efforts. Without Congressional action, that money is expected to run out in 2 weeks.

"The BP oil spill continues to devastate communities and local wildlife across the Gulf Coast," said Rep. Sanchez. "The Coast Guard has played a crucial role in containing the spill and mitigating its impact, but will soon have to stop its efforts due to a lack of funding. Make no mistake: BP will ultimately be responsible for paying for the disaster cleanup and reimbursing the funds that were taken out of the trust. But in the meantime, we have to get the Coast Guard the resources it needs to get the job done in the Gulf."

S. 3473, which has already passed the Senate, complies with the pay-go budget principles recently signed into law by President Obama. In order to prevent another funding freeze, Congress is currently working on a bill – the American Jobs and Closing Tax Loopholes Act – which would raise the fee oil companies pay to the Oil Spill Liability Trust Fund and increase the fund's payout in emergency situations.